

## KEY POINTS TO BREAD-AND-BUTTER TRADES

- **RISK REWARD RATIO**
  - 1.0 TRADES MEANS 50/50 CHANCE OF WINNING, ALWAYS CALCULATE THE RISK AND THE REWARD. YOU NEED TO DOUBLE THE REWARD OVER THE RISK.
  - WE TRADE BASED ON THE CALCULATED RISK
- **RULE**
  - THE REWARD SHOULD BE HIGHER TWICE VS. POTENTIAL RISK/LOSS.
- **3 ELEMENTS OF AN EFFECTIVE RISK REWARD RATIO**
  - ACCURATE STOP LOSS
  - ACCURATE ENTRY AREA
  - ACCURATE TP AREA
- **KEY LEVEL SUPPORT**
  - SUPPORT WELL RESPECTED MULTIPLE OHLC (low prices) TAILS CAN BE FOUND ON HIGHER TIMEFRAMES (longer periods) MULTI WEEK, MONTH, YEAR.
- **KEY LEVEL RESISTANCE**
  - WELL RESPECTED MULTIPLE OHLC (high price, wick) ARE HITTING IT (rejecting) BIGGER TIMEFRAME AND **LONGER PERIODS**.
- **ORDINARY RESISTANCE**
  - WELL RESPECTED MULTIPLE OHLC (high price, wick) ARE HITTING IT (rejecting) BIGGER TIMEFRAME AND **SHORTER PERIODS**.
- **O.R.A.S (Old Resistance Acting as Support)**
  - IF YOU'RE GOING TO **LONG TRADE** YOUR STOPLOSS SHOULD BE **LOWER AT KEY LEVEL SUPPORT**
- **O. S.U.RE (Old Support acting as Resistance)**
  - IF YOU'RE GOING TO **SHORT TRADE** YOUR STOPLOSS SHOULD BE **ABOVE THE KEY LEVEL RESISTANCE**.

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